

FILED

JUN 16 2004

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

IXYS CORPORATION,

Plaintiff,

No. C 02-03942 MHP

v.

ADVANCED POWER TECHNOLOGY, INC.,

Defendant.

AND RELATED COUNTERCLAIMS.

**MEMORANDUM AND ORDER RE:
DEFENDANT'S MOTION TO AMEND
FINAL INVALIDITY CONTENTIONS
AND PLAINTIFF'S MOTION TO
PRECLUDE UNTIMELY PRODUCED
EVIDENCE**

Plaintiff IXYS Corporation ("IXYS") filed this action against defendant Advanced Power Technology, Inc. ("APT"), alleging infringement of two U.S. patents, numbered 5,486,715 (the "715 patent") and 5,801,419 (the "419 patent"), that it holds on an improved design for power MOSFET devices. Now before the court are APT's motion to amend its final invalidity contentions and IXYS's motion to preclude APT from introducing or employing untimely produced documents. After having considered the parties' arguments and submissions, and for the reasons set forth below, the court rules as follows.

I. APT's Motion to Amend Final Invalidity Contentions

APT has come before this court seeking leave to amend its final invalidity contentions to add materials produced by its expert, John Neilson (the "GE/Harris documents") and corresponding claim charts, as well as claim charts organizing the technical references relied upon by APT's expert, Dr. Shenai, in his opening report. The court construed disputed claim terms in this case on January

1 22, 2004, and the deadline in this case for the filing of Final Invalidity Contentions was March 1,
2 2004. However, on March 8, 2004, at oral argument, the court notified the parties of a typographical
3 error in the original claim construction order and announced that a correction would be forthcoming;
4 the court's written order of March 18, 2004, contained this correction.

5 According to APT, sometime after the March 8, 2004, hearing Mr. Neilson became aware of
6 the court's modification of its claim construction order and realized that certain documents in his
7 possession had become relevant. On March 15, 2004, Mr. Neilson faxed nineteen pages of
8 GE/Harris documents to APT's counsel; the documents were promptly forwarded to IXYS by
9 facsimile the following day. Johnson Dec. ¶ 9. At some subsequent point Mr. Neilson forwarded
10 another 90 pages of documents to APT's counsel. Id. ¶ 10. APT's attorney photocopied these
11 documents and delivered copies of them to IXYS on March 31, 2004. Rebuttal expert reports in this
12 case were due on April 6, 2004.

13 Under Patent Local Rule 3-6(b), APT has the right to amend its final invalidity contentions in
14 light of the adjustment made to this court's claim construction. However, as in all cases of
15 amendment, that right is subject to the court's (and APT's) countervailing duty to avoid prejudicing
16 IXYS through eleventh-hour alterations. Cf. Eminence Capital, LLC v. Aspeon, Inc., 316 F.3d
17 1048, 1052 (9th Cir. 2003) ("Prejudice is the touchstone of the inquiry" when considering a motion
18 for leave to amend a complaint.). IXYS's expert was able to incorporate the first nineteen pages of
19 GE/Harris material (delivered March 16, 2004) into his rebuttal report. See Barclay Dec., Exh. 7, ¶¶
20 10-11. The same cannot be said for the remaining ninety pages, which IXYS received only six days
21 before Dr. Blanchard's rebuttal report was due. See id. ¶ 5g. The court is further puzzled as to why
22 APT only delivered to IXYS the claim charts accompanying Dr. Shenai's report on March 26, 2004,
23 when that report was due on March 1, 2004. Nevertheless, there seems little to be gained from
24 striking these claim charts while the underlying technical references remain part of the case.

25 Accordingly, APT's motion is DENIED with respect to the ninety pages of GE/Harris
26 documents provided to IXYS on March 31, 2004, and GRANTED in all other respects.
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1 II. IXYS's Motion to Preclude

2 On March 31, 2003, APT served its Preliminary Invalidity Contentions ("PIC") on IXYS as
3 required under the set schedule. APT's PIC specifically referenced several of APT's devices,
4 including the 208, 208x, and 526 as prior art devices, and APT delivered mask layers corresponding
5 to those devices to IXYS on April 17, 2003. See Barclay Dec., Exh. 3. The PICs also mentioned
6 APT's 108 device as relevant prior art, and a paper by Douglas Pike—presumably the inventor of the
7 108—was attached as a reference to the PIC. See id. at 1, 4 ("If the 208x is found to not be a 'high
8 frequency' device, claim 23 would be obvious based on APT's high-frequency 108 product.... The
9 108 product of Reference 9 actually uses an Al-on-polysilicon gate to operate at 10 MHz.").¹ APT
10 did not produce any mask layer documents for the 108, or for its 206 and 207 devices, at this point.

11 On March 1, 2004, pursuant to the schedule set several months earlier, APT served its Final
12 Invalidity Contentions ("FIC") upon IXYS. This document again referred to the APT 108, as well as
13 the APT 206 and 207, and provided the same Pike paper as a reference. De Blank Dec., Exh. L.
14 Again, APT did not provide any mask layer data to IXYS as accompaniment to its FIC.

15 On March 29, 2004, APT's counsel stated in a letter to IXYS's attorney that "APT has
16 already produced all of the technical information on which its contentions of non-infringement are
17 based."² Barclay Dec., Exh. 15. Later that day, however, APT filed a motion for summary judgment
18 of non-infringement that referenced the APT 108 via declarations by several of APT's experts and
19 officers. See Def. Mot., at 20-22. The next day, APT provided to IXYS a compact disc Bates-
20 numbered APT 024649 that contained mask layer data for a large number of APT devices, including
21 the APT 108. On April 16, 2004, APT filed the aforementioned motion to amend its FIC. The
22 amended documents made no further reference to the 108, 206 or 207 devices.

23 Patent Local Rule 3-3(a) states that a party's PIC (and, by extension, its FIC) must reveal
24 "[t]he identity of each item of prior art that allegedly anticipates each asserted claim." In addition,
25 the PIC must contain "[a] chart identifying where specifically in each alleged item of prior art each
26 element of each asserted claim is found...." Patent L.R. 3-3(c). Finally, Patent Local Rule 3-4(b)
27 requires the party asserting invalidity to produce "[a] copy of each item of prior art identified
28 pursuant to Patent L.R. 3-3(a) which does not appear in the file history of the patent(s) at issue."

1 APT alleges that Rules 3-3(a) and 3-4(b) require only what they literally describe—disclosures of the
2 “identity” and a “copy” of the prior art—not other “ancillary” documents such as the mask layer data
3 provided on the 024649 compact disc. APT also alleges that it provided “representational” claim
4 charts for the 108, 206, and 207 devices along with its FIC, while IXYS argues that the only claim
5 charts provided for devices APT alleges as prior art are the 208 and 208x. See De Blank Dec., Exh.
6 L.

7 APT’s reading of the Patent Local Rules is untenable at best, and insultingly tendentious at
8 worst. The Local Rules exist to further the goal of full, timely discovery and provide all parties with
9 adequate notice and information with which to litigate their cases, not to create supposed loopholes
10 through which parties may practice litigation by ambush. Rule 3-4(b) quite obviously requires APT
11 to produce more than the “identity” of the prior art upon which it seeks to rely—if APT believes that
12 a mask layer photograph or drawing is relevant to this action, then Rule 3-4(b) requires APT to serve
13 upon IXYS a copy of that same document.³

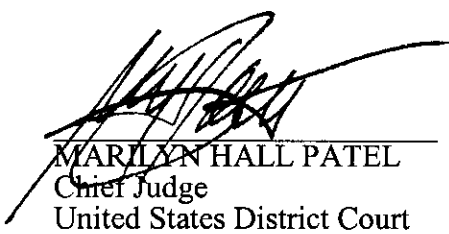
14 Moreover, IXYS’s requests for production of documents targeted precisely these types of
15 prior art documents. See Barclay Dec., Exh. 1, at 9-11. APT’s decision to deliver the documents
16 upon which its motion for summary judgment relies to IXYS only *after* it has already filed that
17 motion is simply unconscionable; unlike the materials that APT received from Dr. Neilson
18 (referenced above) there is every indication that APT has held these documents in its possession,
19 ready for use, since the beginning of this litigation. Their deployment against APT at this late stage
20 in the proceedings will obviously cause IXYS a great deal of needless prejudice. APT is hereby
21 precluded from introducing into evidence any prior art documents produced on the compact disc
22 bates numbered APT 024649, and the court strikes all references to those documents in APT’s
23 motion papers.

24 The documents produced on this compact disc that do not constitute prior art are a different
25 matter. Patent Local Rule 3-4(a) requires that APT turn over to IXYS any and all documents
26 describing the operation or structures of APT’s accused devices, but does not mention other devices
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1 that have not been accused. Similarly, IXYS's requests for production of documents specifically
2 referenced the accused devices, not APT's complete line of products. See Barclay Dec., Exh. 1, at 5-
3 6. IXYS has accused the following APT devices of infringement: "(a) any and all Power MOS 7®
4 products or Power MOS V® (Generation 5) products with dual-layer metallization manufactured,
5 used, sold, or offered for sale by APT on or after August 15, 1996, and (b) any and all products
6 manufactured, used, sold, or offered for sale by APT on or after August 15, 1996 that are designed in
7 substantially the same way, or function in substantially the same way, as APT 5018BLL [a Power
8 MOS 7™ MOSFET]." Pl. Disclosure of Asserted Claims and Preliminary Infringement
9 Contentions. By consequence, it is documents describing *those* devices that APT was obligated to
10 produce; APT's failure to produce documents relating to products that IXYS has never accused is
11 not in error. Accordingly, APT is hereby precluded from introducing into evidence any documents
12 produced on the compact disc bates numbered APT 024649 that reference or describe any of the
13 products IXYS has *already* accused of infringing its patents. APT's 546, 846, and 1046 devices are
14 deemed representative of all APT devices that IXYS has heretofore accused of infringement.
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16 IT IS SO ORDERED.
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19 Dated: *June 15, 2004*


MARILYN HALL PATEL
Chief Judge
United States District Court
Northern District of California

ENDNOTES

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2 1. However, IXYS points out that this document almost surely does not refer to the 108, since APT
3 claims to have invented that device only in 1991. Regardless, the resolution of this question is not
4 necessary for the purposes of IXYS's motion, given the court's holding.

5 2. APT's letter also stated that APT was in the process of "analyzing IXYS's infringement
6 allegations" and planned to supplement its response to IXYS's interrogatory regarding APT's non-
7 infringement contentions only after APT's expert reports were complete. Notwithstanding this
8 guarantee, APT filed its motion for summary judgment of non-infringement the same day as it
9 delivered this letter to IXYS. The court is simply stunned by the disingenuousness of APT's March
10 29, 2004, letter.

11 3. Indeed, if APT's reading of the Local Rules were correct, its production of mask layers for the
12 208 devices would have been utterly unnecessary.
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